REMARKS

After entry of the foregoing amendment, claims 18-25 are pending in the application.

The new claims are presented to more fully protect applicant's inventive work.

The original claims are canceled without prejudice. Applicant reserves the right to pursue claims that are identical, or commensurate in scope, in one or more related applications.

Date: July 15, 2004

Customer Number 23735

Phone: 503-885-9699 FAX 503-885-9880 Respectfully submitted,

DIGIMARC CORPORATION

By_____William Y. Conwell

Registration No. 31,943

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